

May 27, 2011

Mr. Barry Wood
Assessment Director
Department of Local Government Finance
100 N. Senate Ave., Room N 1058
Indianapolis, IN 46204

RE: Marshall County 2011 Payable 2012 Ratio Study Reports

Dear Barry,

Ratio Studies were performed on all 187 neighborhoods in Marshall County using sales from 1-1-2009 to 2-28-2011. Because there were not a sufficient number of valid 2010 sales to produce a representative sample, I looked at our paired-sales that sold in 2006 through 2010 to determine if a time adjustment were necessary. The median came out to 1% of change over that period of time. The sales price was adjusted by 1% annual. Trending factors were calculated and applied, and the results were studied again for further analysis where required. All sold and unsold properties were treated equally and equitably. If there were no sales or not a sufficient number of sales in a neighborhood, then it was compared to a similar neighborhood or an overall taxing district factor was applied. It was discovered that we have a fewer number of sales in our higher priced areas and our lake areas. The trending factors were applied to all properties within each neighborhood.

Appealed Parcels: We continue to watch our appealed parcels to identify problem areas. Appraisals submitted as evidence with an appeal are being logged along with property listing prices. For 2010 Pay 2011, we had approximately 380 appeals, which is less than 1% of our total parcel count.

Sheriff Sales: We are mapping the location of our sheriff sales to see if they are clustering in a particular area. They are still scattered throughout the county and have increased from 83 in 2007, 86 in 2008, 111 in 2009, and 110 in 2010. The majority of the sheriff's sales have been coded invalid for trending, but the 2nd and 3rd sale after the foreclosure were reviewed individually and validated accordingly.

Residential Rental Properties: This was our 6th year for taxpayers to submit rental information to establish GRM and market rents in Marshall County.

For clarification, I have put comments within the cells of the ratio study to explain value adjustments when comparing to the workbook and our sales disclosure file. The following is an overview of the various classes of properties and an explanation to assist you in your review. The summary tab (1st tab in the ratio study) shows the statistics for each township by property class.

Residential Improved

Although Green Township has enough sales to stand on its own this year, we have grouped Walnut and Green together in the past. Therefore the spreadsheets show Green Township and Walnut Township on their own this year, but also shows the grouping. Green and Walnut Townships are contiguous townships with similar market values and share the Town of Argos. We have combined these two small townships together in the past and prefer to show more sales to represent a better sampling.

Residential Vacant

All townships except Center have fewer than 5 valid residential vacant sales. Center Township contains enough valid sales to perform an independent ratio study, But we have included all sales in one grouping, to show the totals for the County.

Commercial Improved

In order to capture the most current market values, our Commercial Improved sales and Industrial sales are combined into a countywide ratio report.

Commercial Vacant

Due to a lack of commercial vacant sales, Marshall County does not have a Commercial Vacant ratio study.

Industrial Improved

In order to capture the most current market values, our Commercial Improved sales and Industrial sales are combined into a countywide ratio report.

Industrial Vacant

There were no industrial vacant land sales in Marshall County.

Jellystone Campground

Jellystone Campground is located in West Township. I have created an additional tab at the bottom of the excel report to show Jellystone stratified from West residential since we feel that these values should not be equalized with other West Township sales and have followed this same procedure in the past. The market values of these camping lots do not influence other West Township parcels and should stand on their own.

Special Notes

There are parcels that were marked as valid in the sales disclosure program that were corrected to invalid during the trending process, as well as parcels marked invalid that are considered valid during the trending process. We have included a spreadsheet of these by township (Changes for Assessor) to help you see where those differences were. There is a code list at the beginning of that spreadsheet to help with defining the codes.

We used multiple parcel sales in our analysis by combining the values of the parcels into one line entry. Multiple parcel sales are in the spreadsheet and indicated by a '+' sign after the parcel number.

Sincerely,

Debbie Dunning
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